



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUN 28 2017

OFFICE OF THE
CHIEF FINANCIAL OFFICER

The Honorable Trey Gowdy
Chairman
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

I am transmitting the U.S. Environmental Protection Agency's response to the January 2017 Government Accountability Office report entitled, *EPA Has Taken Steps to Improve Competition for Discretionary Grants but Could Make Information More Readily Available* (GAO-17-161). The EPA prepared this response pursuant to 31 U.S.C. 720.

The final report addresses: 1) how the EPA manages competition for discretionary grants; 2) how much in discretionary grants the EPA provided from fiscal years 2013 through 2015 and to what types of grantees; and 3) the information the EPA makes publicly available on discretionary grants.

We commend the GAO's staff for the thoughtful and professional manner in which they conducted the review and interacted with our staff. The EPA is pleased that the GAO found that the agency has taken steps to improve its competition process for discretionary grants while recommending that it develop clear guidance for tracking grants and determine how to make more complete information on discretionary grants publicly available.

The EPA generally agrees with the report's findings and conclusions and agrees with the GAO's recommendations, namely that there are opportunities to explore how to develop better guidance for tracking and identifying discretionary grants in the agency's internal grants management system and determine how to make more complete information on discretionary grants publicly available. The EPA has already taken some steps to address these recommendations. The EPA intends to continue these efforts in 2017 and 2018 subject to budgetary and resource constraints and in coordination with relevant parties. Responses to specific GAO recommendations in the final report are described in the following sections.

GAO Recommendation:

To improve the quality of the EPA's internal records and the information the EPA can communicate to internal and external decision makers, the EPA Administrator should direct the Assistant Administrator for the Office of Administration and Resources Management to direct the Director of OGD [Office of

Grants and Debarment] to provide clear guidance to the EPA staff to help ensure that staff correctly identify all the EPA discretionary grant programs in the agency's internal grants management system.

EPA Response:

The agency agrees with this recommendation. The OGD developed a list of active discretionary grant programs, in coordination with the EPA program offices and the agency's Office of General Counsel, and posted it on the EPA intranet to ensure availability to the EPA staff and on the agency's internet website for public transparency. If new grant programs are developed, the EPA will determine whether such grants are discretionary and add them to both locations as appropriate.

The EPA also has added a statement in Section 070 (Uses and Restrictions) of its *Catalog of Federal Domestic Assistance* program descriptions (<https://www.cfda.gov/>) on whether the program makes awards on a discretionary basis. In addition, the EPA intends to be involved in any General Services Administration efforts in 2017 to improve the CFDA descriptions which may include changes to the CFDA template language to improve clarity of discretionary grant designations.

Further, the EPA will assess in 2017 whether other actions are necessary to help agency staff better identify discretionary grant programs in the agency's internal grant management systems including staff training and reconciling any inconsistencies in defining discretionary grants.

GAO Recommendation:

To better enable Congress and other decision makers to monitor the EPA's management of discretionary grants, the EPA Administrator should direct the Assistant Administrator for the Office of Administration and Resources Management to direct the Director of OGD to determine how to make more complete information on the EPA's discretionary grants publicly available, such as by posting timely and complete reports on its website.

EPA Response:

The agency agrees with this recommendation. In 2017, the OGD will begin the process to examine whether and how it can use its internal Next Generation Grants System to generate more timely and complete reports related to discretionary grants and make them publicly available. Two areas that the EPA will explore in 2017 are the ability to use NGGS to: 1) generate more timely and complete information that can be publicly posted related to the number of applications received (and from what types of entities) for the agency's open competitive opportunities and 2) produce an annual report on the amount of funds per discretionary grant program and whether such funds were for new awards or amendments.

In addition, these two discretionary grant program recommendations are consistent with the spirit of the Digital Accountability and Transparency Act of 2012, which requires federal agencies to make spending, contracts, and grants data publicly available in a format that is accessible, searchable, and reliable to promote transparency and accountability as well as facilitate better decision-making. The EPA is pleased that it met the deadline to comply with the DATA Act and our data is available at beta.usaspending.gov.

Thank you for the opportunity to provide comments on the final report and for the professional manner in which you conducted the review. If you have any questions, please contact me or your staff may contact James Blizzard, in the Office of Congressional and Intergovernmental Relations, by email at blizzard.james@epa.gov or by phone at 202-564-1695.

Sincerely,

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David A. Bloom
Acting Chief Financial Officer

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUN 28 2017

OFFICE OF THE
CHIEF FINANCIAL OFFICER

The Honorable Thad Cochran
Chairman
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

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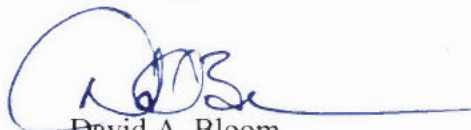
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Sincerely,

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David A. Bloom
Acting Chief Financial Officer



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUN 28 2017

OFFICE OF THE
CHIEF FINANCIAL OFFICER

The Honorable Ron Johnson
Chairman
Committee on Homeland Security and Governmental Affairs
United States Senate
Washington, D.C. 20510

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David A. Bloom
Acting Chief Financial Officer

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUN 28 2017

OFFICE OF THE
CHIEF FINANCIAL OFFICER

The Honorable Rodney P. Frelinghuysen
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

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Sincerely,

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David A. Bloom
Acting Chief Financial Officer



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUN 28 2017

OFFICE OF THE
CHIEF FINANCIAL OFFICER

The Honorable Eugene Dodaro
Comptroller General
Government Accountability Office
Washington, D.C. 20548

Dear Mr. Dodaro:

I am transmitting the U.S. Environmental Protection Agency's response to the January 2017 Government Accountability Office report entitled, *Grants Management: EPA Partially Follows Leading Practices of Strategic Workforce Planning and Could Take Additional Steps* (GAO-17-144). The EPA prepared this response pursuant to 31 U.S.C. 720.

The agency reviewed the report and pursuant to 31 U.S.C. 720, enclosed are copies of the EPA responses to the Chairs of the House Committee on Oversight and Government Reform, the Senate Committee on Homeland Security and Governmental Affairs, and the House and Senate Committees on Appropriations. If you have any further questions, please contact me or your staff may contact James Blizzard in the EPA's Office of Congressional and Intergovernmental Relations, by phone at 202-564-1695, or by email at blizzard.james@epa.gov.

Sincerely,

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David A. Bloom
Acting Chief Financial Officer

Enclosures

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUN 28 2017

OFFICE OF THE
CHIEF FINANCIAL OFFICER

The Honorable Mick Mulvaney
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Mulvaney:

I am transmitting the U.S. Environmental Protection Agency's response to the January 2017 Government Accountability Office report entitled, *EPA Has Taken Steps to Improve Competition for Discretionary Grants but Could Make Information More Readily Available* (GAO-17-161). The EPA prepared this response pursuant to 31 U.S.C. 720.

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David A. Bloom
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